

## **6 FAH-5 H-390 SUPPLEMENTAL ICASS FUNDING**

*(CT:ICASS-13 09-08-2009)*

*(Office of Origin: RM/ICASS)*

*Applies to participating ICASS agencies*

### **6 FAH-5 H-391 PURPOSE**

*(CT:ICASS-13 09-08-2009)*

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This subchapter contains policy and methodologies for missions overseas to invoice agencies for ICASS services that fall outside of the ICASS initial and final budget process. Section 6 FAH-5 H-392 addresses the Partial Year Invoice for billing new or growing agencies for services. Section 6 FAH-5 H-393 addresses invoicing agencies for required ICASS service costs but who have no physical presence at post.

### **6 FAH-5 H-392 PARTIAL YEAR INVOICE MODULE**

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*Applies to participating ICASS agencies*

- a. The Partial Year Invoice (PYI) module is the mechanism used in ICASS to capture and bill for costs associated with a new or growing agency at a post. The PYI calculates the estimated cost of services in the current fiscal year and prepares an invoice based on a pro-rated calculation for the portion of the year that services were provided.
- b. The PYI is the standard tool for projecting requirements for additional funding in the current year and calculating potential required target increases in the following year due to growth in the customer base (see 6 FAH-5 H-392.4 f).

#### **6 FAH-5 H-392.1 PYI Module**

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- a. The PYI module enables a post to receive funding for incremental support

costs related to position or service subscription increases that occur after the target has been set.

b. The PYI module produces several reports as outlined below:

- (1) **Invoice (Partial Year) Report** calculates the cost for ICASS services for a new or growing agency for the current fiscal year. Once there is a subscription of service agreement between the customer and the service provider, this report will serve as the partial year agency invoice.

**NOTE:** The cost basis for a PYI is different than that for a regular ICASS invoice. See 6 FAH-5 H-392.3 for details on what is not included in this invoice.

- (2) **Cost for New Agency (Full Year) Report** shows the estimated full year cost for the new or growing agency.

**NOTE:** This report includes ICASS U.S. Direct Hire (USDH) position-related costs, ICASS residential and non-residential lease costs, local guard program non-residential costs, and furniture pool costs (see 6 FAH-5 H-392.3 b), but does not include ICASS Redistribution or Miscellaneous costs (see 6 FAH-5 H-392.3 c) that typically add another 20 to 50 percent to an agency's invoice. To provide an agency with a better estimate of their first full-year cost, post should run a "what if" budget in the ICASS software that reflects projected workload counts and resource changes required to support the additional workload related to this agency.

- (3) **Staff Year Requirements Report** estimates the impact of increased workload on existing ICASS staffing and projects the requirement for additional positions.

**NOTE:** The software methodology is based on the assumption that all staff are working at full capacity, so posts should only use this report in conjunction with a more in-depth analysis of staffing requirements.

c. The PYI Module reports may be prepared using the current active budget (i.e., either the initial budget or the final budget). If a PYI was created based on the initial budget, post **may not** create a second invoice based on the final budget.

## 6 FAH-5 H-392.2 When To Use a PYI

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a. The PYI should be used whenever a post experiences growth or expansion

of its customer base that cannot be absorbed within its existing budget or staff resources. The PYI is used by posts to analyze ongoing funding requirements and to calculate any needed increases to budget targets. To ensure transparency and equity, post should consistently apply the PYI guidelines to all customer agencies. (See 6 FAH-5 H-351.2 a for additional information on the NSDD-38 process and PYIs.)

**NOTE 1:** Since ICASS is not a funded agency, ICASS funds required to support new ICASS positions must be requested and justified in the ICASS budget submissions.

**NOTE 2:** If additional funding is not required, post may decide to add the agency's projected workload counts to the next available budget (see 6 FAH-5 H-333.2 b (4)). While this option would not provide any additional funding for post, it would have the net effect of reducing all agencies' invoices as the ICASS costs are spread over a broader customer base. Instead of a PYI, the agency would receive a regular invoice based on pro-rated workload counts for the current year.

- b. The PYI may not be used for capturing and billing for temporary-duty (TDY) support costs (see 6 FAH-5 H-360).
- c. The PYI can only be used for growth or expansion that occurs in the current fiscal year. A PYI may not be prepared for any prior year requirements.
- d. The PYI may be prepared for a period of one month or a maximum of 11 months.
- e. For positions created after August 1, refer to the guidance in 6 FAH-5 H-333.2 b (4) on how to count this workload. Post has two options for handling the related PYI.
  - (1) Option 1: If post knows a position will be established during the August 1 to September 30 time period, a PYI for the current year may be prepared based on estimated workload. The agency's annualized workload counts would then be added to the initial budget of the upcoming fiscal year.
  - (2) Option 2: Since this new position was not reflected in post's initial target request, if post prefers to obtain PYI funding in the upcoming fiscal year, post may wait and process an eleven-month PYI in the upcoming fiscal year. This effectively provides the agency "free" services for the period August 1 to September 30 and one month in the upcoming fiscal year. The agency's workload counts would then be included on May 1 for the following fiscal year.
- f. When an agency permanently departs post, thus decreasing the customer base, post should prepare a "negative" PYI to analyze the impact of the

agency's departure on post operations. This information should be shared with the regional bureau so appropriate adjustments can be made to the post target.

**NOTE:** A "negative" PYI is prepared for post and regional bureau informational purposes only and is not submitted to the ISC.

## 6 FAH-5 H-392.3 What is Included and Excluded in a PYI Invoice

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- a. The PYI is based on an agency's projected annual workload count in all cost centers to which they will subscribe. The workload is pro-rated (see 6 FAH-5 H-333.2 b (4)) and may be modified as appropriate. The start date for this calculation is based on the date work commenced in support of the new position or service delivery.
- b. The PYI module determines the initial ICASS charges to an agency by calculating a unit cost for each ICASS cost center. This unit cost is based on all items budgeted in each cost center but **excludes** fixed costs not affected by other agency growth (i.e., ICASS USDH position-related costs, ICASS residential and non-residential lease costs, local guard program-nonresidential (LGP-NR) costs, and ICASS furniture pool costs). This revised unit cost is applied to the growing agency's pro-rated annual estimated workload counts for each cost center.
- c. The PYI does not include any ICASS Redistribution (see 6 FAH-5 H-380) or Miscellaneous (see 6 FAH-5 H-341.13 or H-342.13) costs.
- d. The PYI does not include any Washington "below-the-line" costs (e.g., Office of the Medical Director, Diplomatic Pouch and Mail, Grants for Overseas Schools, etc.).

## 6 FAH-5 H-392.4 Processing a PYI Invoice

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- a. The PYI must be signed by the authorized agency representative and forwarded electronically to the ICASS Service Center. PYIs can be submitted at any time of the year, but no later than August 1. Signing the PYI represents the agency's commitment to pay the invoice.

**NOTE:** If a post submits a PYI for an agency, these workload counts are not entered in the regular workload distribution module of the ICASS software for the current fiscal year. The workload counts for the new or

expanding agency should be added to the May 1 counts related to the next fiscal year (see 6 FAH-5 H-333.2 b (4) for how to count new positions).

- b. Upon receipt of the signed invoice, the ISC will increase post's ICASS operating allowance and bill the customer agency headquarters using a separate invoice before the end of the fiscal year.
- c. For appropriate headquarters invoicing, it is important to use the correct five-digit ICASS agency code when preparing the PYI. If there is not an existing agency code, send a request to the ISC at ICASSSERVICECENTER@state.gov.  
**NOTE:** For informational purposes, the ISC will send an electronic summary PYI report to each headquarters agency billing contact in June, July, and August of each year in advance of the actual invoice.
- d. There is no minimum dollar threshold amount for submitting PYIs.
- e. PYI funds may be used for any ICASS needs, as identified by the service provider and ICASS Budget Committee. If additional ICASS locally employed staff (LE Staff) positions are required to support agency growth, and if post's ICASS Council has concurred with this increase, funds received through the PYI may be used to fund the salary and benefit costs in the first year.
- f. PYI funding is not automatically included in post's next fiscal-year target. Posts must coordinate with their regional bureau to identify essential ICASS increases required to support the new agency, new positions, and/or additional service subscriptions.

## 6 FAH-5 H-393 CHARGING AGENCIES WITH NO PHYSICAL PRESENCE AT POST

*(CT:ICASS-13 09-08-2009)*

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In keeping with U.S. Government rightsizing initiatives and related directives to avoid duplicative support platforms, many agencies may be able to meet their mission objectives without establishing a permanent presence at every post. These agencies may use host country entities, non-governmental organizations (NGO), or contractors to carry out these **ongoing programs**. In addition, some agencies have programs or initiatives that entail **occasional activities** or conferences in locations where they have no permanent presence. In order to meet their mission goals and objectives, these agencies may require various support services provided by the ICASS platform (see 2 FAM 113.1 c (b)). This section outlines the policy and

methodologies used to charge these types of ICASS customers.

## **6 FAH-5 H-393.1 Agencies with Ongoing Requirements**

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- a. An agency may choose to establish a program in a particular country but not establish a permanent presence. They may use an NGO, a host government entity, a contractor, or some other means to execute their program. Other examples might include an agency that has an ongoing book and periodical procurement program, or an agency that has certain fees collected on its behalf, requiring various financial services. Support for these entities would require ongoing services over a multi-year period that may include, but not be limited to, procurement, vouchering, shipping, and customs services.
- b. Because the "non-resident" agency is not establishing a permanent presence at a post, no NSDD-38 request is required. However, because the agency will be using support services from the post, a request must be submitted to the Management Officer (MO) outlining the agency's proposed program and its anticipated support requirements.
- c. At the discretion of the post, depending on the volume/scope of the ongoing services required, it may be necessary to charge the serviced agency. Consequently, as with any service provision in ICASS, there must be an established agreement between the post and the serviced agency (see 6 FAH-5 H-392.4).

## **6 FAH-5 H-393.2 Agencies with Occasional Requirements**

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- a. Many agencies have international programs that require the support and assistance of embassies overseas. Some examples might include: an agency that sponsors occasional international conferences; or an agency that has a government-to-government arrangement that requires the occasional shipping of official materials or samples. The ICASS support services required might range from procurement and contracting, to shipping and customs, various financial services, travel services, and others.
- b. Because the agency is not establishing a permanent presence at a post,

no NSDD-38 request is required. However, because the agency will be using support services from the post, a request must be submitted to the Management Officer (MO) outlining the agency's proposed program and its anticipated support requirements.

- c. At the discretion of the post, depending on the volume/scope of the services required, it may be necessary to charge the serviced agency. Consequently, as with any service provision in ICASS, there must be an established agreement between the post and the serviced agency (see 6 FAH-5 H-393.4).

## 6 FAH-5 H-393.3 Agencies with Regional Responsibilities

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- a. Agencies that have an established presence at one post and officially designate their employees with regional responsibilities at one or more other posts are treated differently. Typically, such officers with designated regional responsibilities periodically visit their assigned posts on TDY for relatively short periods of time and their support requirements are routine (i.e., individual travel arrangements, motor pool support, etc.). Such visits are usually of relatively short duration, require routine support services, and fall under the exemption outlined in 6 FAH-5 H-363.2 – Exceptions to ICASS TDY Module Charges.
- b. If an agency's regional representative requires ICASS support services that extend beyond "routine," post should consult with the agency to reach agreement on invoicing for ICASS support costs. For example, if a regional representative wished to organize a one-time conference at other than his/her home post and the ICASS support requirements were extensive, post could use the invoicing mechanism outlined in 6 FAH-5 H-393.5.

## 6 FAH-5 H-393.4 Subscribing to Services

*(CT:ICASS-13 09-08-2009)*

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- a. **ICASS Memorandum of Understanding (MOU) and Service Level Agreement:** In order to appropriately charge for services rendered, non-resident agencies as outlined above will be billed according to the methodology outlined in 6 FAH-5 H-393.5. Like all other ICASS customers, the agency must sign the ICASS MOU and a service level agreement indicating the cost centers to which they will subscribe. All



modifications will be determined in accordance with established post policies. The agency should provide their ICASS agency code (if known) or post may request a code from the ICASS Service Center (ISC).

- b. **Mandatory Cost Centers:** As with other customer agencies, a non-resident agency would subscribe to the cost centers they require to support their mission. Because such agencies do not require the same level of services as a resident customer agency, the typical mandatory cost centers (6150-Basic Package and 6443-Community Liaison Office Services) are not appropriate. However, recognizing the intent of the mandatory cost centers, such agencies should also pay an appropriate share of the basic ICASS platform. Accordingly, these agencies will be assessed a workload count of "one" in 6150-Basic Package (BP) with a modification of 0.3. This BP count would be added to the agency's other cost center workload counts in calculating their invoice.

## 6 FAH-5 H-393.5 Invoicing Procedures

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- a. **Agencies with ongoing requirements** closely resemble a typical customer agency in that their need for services is anticipated over a multi-year period on a regular basis. Such agencies will be billed using the PYI module in the first year of their requirement, and then as a "regular" ICASS customer beginning in the next fiscal year.  
**NOTE:** While the serviced agency may occasionally visit post on TDY to coordinate with the local entity, the agency maintains no physical presence at post. (See 6 FAH-5 H-393.7 for additional guidance regarding TDY charges.)
- b. **Agencies with occasional requirements** for services are more unpredictable and may need services only once or twice over a long period of time. In such circumstances, serviced agencies will be billed using the PYI module, with adjustments as outlined in 6 FAH-5 H-393.4 b, each time their event/activity occurs. In principle, a PYI is prepared at the end of the event/activity.
- c. The PYI invoice is prepared using the current active post budget. Once the PYI is completed it should be forwarded to the designated point of contact for signature. Once signed, it is submitted to Washington for processing.
- d. All other guidance regarding the processing of PYIs as outlined in 6 FAH-5 H-392 is the same.
- e. The post, working with the non-resident agency, must designate a point



of contact and responsible party for signing the post ICASS invoice.

## 6 FAH-5 H-393.6 Representation at Post

*(CT:ICASS-13 09-08-2009)*

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- a. **ICASS Council:** A non-resident agency with ongoing support requirements (see 6 FAH-5 H-393.1) is entitled to representation on the post ICASS Council according to the following guidance. As established in policy (see 6 FAH-5 H-222.3-1), if the agency is represented on the Washington ICASS Executive Board (IEB), it is entitled to a seat on the post ICASS Council. If another entity of the parent agency is already a member of the ICASS Council at post (i.e., FAS is resident at post and APHIS becomes a "non-resident" agency), the resident agency would be the designated representative on the ICASS Council. If the agency is not a member of the IEB, the post ICASS Council chairperson would represent the agency's interests on the Council. All policies and guidance regarding voting and meetings remain applicable. Post is required to keep the non-resident agency member of the Council informed of all Council meetings (via e-mail) and to provide relevant background material (via e-mail) in advance of the meetings. The non-resident agency representative is expected to provide timely comments to any issues brought to the Council for review or decision.
- b. **Budget Committee:** A non-resident agency is entitled to a seat on the post Budget Committee (see 6 FAH-5 H-222.4-1 c). Post is required to keep the non-resident agency member informed of all meetings (via e-mail) and provide relevant background material (via e-mail) in advance of the meetings.  
**NOTE:** A non-resident agency with only occasional requirements for post ICASS services (see 6 FAH-5 H-393.2) would not have a seat on the ICASS Council or Budget Committee.
- c. **Point of Contact:** The non-resident agency must designate a point of contact, either overseas or at the domestic headquarters office, to ensure timely and accurate information can be provided.

## 6 FAH-5 H-393.7 Additional Guidelines

*(CT:ICASS-13 09-08-2009)*

*Applies to participating ICASS agencies*

- a. **TDY Charges:** An employee of a non-resident agency as outlined in this chapter is not exempt from charges related to a post's TDY policy. The non-resident agency would be responsible for any direct costs associated

with a TDY visit. In addition, if the TDY visit extends beyond seven days and the ICASS services provided exceed the established \$500 threshold (see 6 FAH-5 H-363.1-5), the TDYer would be invoiced under the ICASS TDY module if the module is included in post's TDY policy, subject to the same exceptions as identified in 6 FAH-5 H-363.2.

- b. **Provision of Services:** The level of services provided to a non-resident agency is the same as that provided to resident customer agencies. The ICASS platform does not assume any additional responsibilities for coordinating what would be considered the normal program responsibilities of an agency. If such coordination is required, post should propose to the agency the hiring of a part-time Eligible Family Member (EFM) or other contract employee to assume such responsibilities.